Media Prep Sheet: The Rush with Ryan Doyle on Newstalk 1010

Location: Your Office – Phone

Time: TBD, Pre-Tape at Approximately 3:45pm

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Reviewed by: Jennifer Beaudry

Premier,

Tomorrow morning you will do a phone interview with Ryan Doyle on Newstalk 1010. You spoke to his boss Mike Bendixen earlier today and had a good conversation about the cost of living for young people and the average Ontarian.

The interview tomorrow will focus on the speech from the throne and our plan to build Ontario up for everyone.

This is an opportunity to highlight electricity cost relief and new child care spaces that were announced in the speech, as well as emphasize the work that will continue to be done, such as the Ontario Student Grant and historic infrastructure investments.

Ryan will focus on the energy piece of the speech and how much it will cost taxpayers. It will be important to remind Ryan that we're doing this because we know that families need help with the cost of everyday living. Despite consistent economic growth since the global recession, many families aren't feeling the impact of the recovery in their everyday lives.

Ryan's show was just re-branded as 'The Rush' (formerly The Live Drive). He also has a new co-host. Jay "Mad Dog" Michaels has become the new permanent co-host with Ryan Doyle. Ryan will be the only person interviewing you.

As always, please let us know if you have any questions.

Gurvinder & Jenn

AVAIL REMARKS

Choice is one of the great privileges of our democracy

- When the people of Ontario chose our balanced plan to build Ontario up, they made a choice about the kind of province they wanted to live in
- People chose a government with a balanced plan to build the province up by helping them in their everyday lives
- The Throne Speech at the middle of our mandate is an opportunity to reflect on the choices our government has made to deliver on our commitments to the people of Ontario…
- Choices to not cut or slash or tax our way to prosperity

- Choices to instead build better infrastructure, stronger pensions, improved skills training and a more competitive, low-carbon business climate

<u>And today, these choices mean that the people of Ontario have new schools and hospitals…</u>

- New roads and better transit options to help with their commute…
- More doctors and nurses and better home care for their loved ones…
- Cleaner air and a reliable electricity system…
- And an economy that is growing faster than the rest of Canada and creating good jobs in well-paying industries
- [Notre grande priorité demeurera la création d'emplois et la croissance économique pour veiller à ce que tout le monde puisse profiter de la prospérité que nous bâtissons ensemble.]

<u>The start of a new session of Parliament is also a chance to demonstrate that our government continues to take its cues from the people we serve…</u>

- A chance to reflect our understanding of the challenges people continue to face…
- And to articulate why, having spent the past 2 years investing in 21st century growth and working towards balanced budgets, jobs and growth continue to be priority number 1
- It is because our plan is working, and because of what that means
- Jobs and growth are not only good news for workers in every region
- Jobs and growth also mean more opportunities for our government to fulfill its mission of helping people in their everyday lives

<u>So over the next 5 years we will add 100,000 more licensed child care spaces for infants, preschoolers and toddlers…</u>

- We will rebuild 5,000 more kilometres of road, open 18 more new hospitals and continue to build 350 kilometres of new rapid transit
- We will invest in modern schools, make college or university tuition free for tens of thousands of families and continue to lead in the fight against climate change

- And we will ensure everyone in the province shares in these benefits with legislation that would lower the cost of electricity by 8 percent directly on people's bills — the equivalent of the provincial portion of the HST

People all across the province have worked hard to put Ontario in this position of strength

- So now that growth is solid, jobs are being created, public services are being strengthened and the next provincial budget will be balanced…
- And now that we've done the responsible thing and built a reliable, clean electricity system…
- We will continue to be responsible and look out for people's best interests by finding new ways of helping people in their everyday lives
- Reducing the revenues the province collects from the electricity system so that families and businesses can keep more of their hard-earned money is the fair, responsible thing to do
- [Nous avons choisi d'offrir des mesures d'allégement des factures d'électricité pour les familles et les entreprises.]

So I'm very excited about the new session and the next 2 years

- We have a balanced, proven plan that is building Ontario up
- And much more to do to ensure that everyone is benefitting from Ontario's resurgence

News Release

Throne Speech Announces Electricity Cost Relief, New Child Care Spaces

September 12, 2016

Balanced Plan Will Build Ontario Up and Help People in Their Everyday Lives

As part of its balanced plan to build Ontario up and help people in their everyday lives, the Ontario government intends to introduce legislation that, if passed, would rebate an amount equal to the provincial portion of the HST on residential, farm and small business electricity bills as of January 1, 2017. Rural electricity ratepayers would receive additional relief and commercial, institutional and industrial ratepayers would also benefit from lower electricity costs.

The government also announced that it will create an additional 100,000 licensed infant to preschool child care spaces within the next five years, starting in 2017.

The government's plan was outlined in the Speech from the Throne delivered today by the Honourable Elizabeth Dowdeswell, Ontario's Lieutenant Governor. The speech opened the second session of the province's 41st parliament.

The plan will continue to create economic growth and good jobs -- the government's number-one priority. The government will also balance the budget next year, in 2017-18, and Ontario's debt-to-GDP ratio will decline -- a sign of economic strength and fiscal responsibility.

The government's plan will help people in their everyday lives by:

- Delivering electricity cost relief through legislation to rebate an amount equal to the provincial portion of the HST on electricity bills -- a saving of about $130 annually for the typical Ontario household; eligible rural ratepayers would receive additional relief, resulting in average savings of about $45 a month or $540 a year. Eligible small businesses would also benefit from the rebate and eligible larger businesses would also benefit from the plan through the expansion of the Industrial Conservation Initiative

- Starting in 2017, creating an additional 100,000 licensed child care spaces for 0- to 4-year-olds within the next five years, bringing the number of spaces created since 2013 to 156,000 and doubling the current capacity for the 0-4 age group

- Putting a new emphasis on math skills, expanding experiential learning, implementing free tuition for thousands of low- and middle-income students and encouraging more young people to turn their good ideas into start-up companies

- Investing in skills training that aligns with the job market of today and tomorrow

- Continuing to increase nursing care hours to enhance home care, reducing wait times for specialists, and connecting a family doctor or nurse practitioner to every Ontarian who wants one

- Continuing to make historic infrastructure investments in schools, hospitals, roads, bridges and transit

- Building a competitive business environment driven by innovative, low-carbon industries, including attracting international investment, continuing to cut red tape and implementing a cap and trade program to help people and businesses fight climate change

- Continuing to work with its federal and provincial partners to enhance the Canada Pension Plan

The Throne Speech outlines the next steps in the government's economic plan to build Ontario up and deliver on its number-one priority to grow the economy and create jobs. The four-part plan includes helping more people get and create the jobs of the future by making a high-quality college and university education more affordable. The plan is making the largest infrastructure investment in hospitals, schools, roads, bridges and transit in Ontario's history and is building a low-carbon economy driven by innovative, high-growth, export-oriented businesses. The plan is also helping working Ontarians achieve a more secure retirement.

QUICK FACTS

- Over the last two years, Ontario's economy has grown by 6.1 per cent

- In the first quarter of this year, Ontario's real GDP growth was higher than that of the United States and all other G7 countries

- Ontario unemployment this year has reached an eight-year low

- In September 2014, the Premier's mandate letters to ministers — 30 in total — were made available to the public for the first time. Mandate letters outline the specific priorities for each member of cabinet and their ministry. The Premier will be releasing new mandate letters to ministers in the coming weeks.

Energy Price Mitigation Initiatives
Key Messages/Questions and Answers

- **Ontario is taking action to reduce electricity bills for families, farms, and businesses.**

- **We're doing this because we know that families need help with the cost of everyday living. Despite consistent economic growth since the global recession, many families aren't feeling the impact of the recovery in their everyday lives.**

- **We also recognize that rebuilding and cleaning up Ontario's electricity system has come at a cost. Over the last decade we've rebuilt our transmission and distribution grid, we've invested in clean generation, and we've closed the last dirty coal-fired power plant. But we need to take the next step in ensuring that clean, reliable system is affordable.**

- **We're able to take action now because of years of careful management is leading to a balanced budget in 2017-18; and we believe that Ontarians should be the first to benefit from the province's fiscal discipline.**

- **Recognizing this, we are introducing new measures that would take effect January 1, 2017, including:**

    - **Rebating provincial portion of the HST to reduce bills by 8% ($11)**

    - **Cutting delivery charges for the most rural customers by 20% ($45)**

    - **Empowering industrial businesses to reduce bills by one third through the Industrial Conservation Initiative**

- **Taken together, this plan represents one of the single largest actions to reduce costs for electricity consumers in the province's history. It will provide needed assistance to consumers of all sizes, and it targets support to those that need it most.**

- **This plan builds on our government's commitment to provide affordable access to energy, including providing support for low-income families, expanding natural gas to more communities, and grid-connecting remote First Nations communities.**

<u>QUESTIONS AND ANSWERS</u>

<u>*General*</u>

Q. Why is the government introducing these price mitigation measures? Is the government finally acknowledging that electricity prices are too high?

We've built a safe, clean, reliable system during the last ten years and now are ready to take it to the next level, by taking steps to make Ontario's electricity bills as affordable as can be.

Our government has heard from Ontarian's and is committed to helping them with their everyday living costs.

No utility, distribution company, government can predict the future. That is why our government has put in place a system and process to protect our residents.

We are taking action; we are reducing the cost of electricity bills for families, businesses both small and large and reducing even more for northern, rural and remote communities. We currently offer many programs, for example the **<u>O</u>**ntario **<u>E</u>**lectricity **<u>S</u>**upport **<u>P</u>**rogram and now can add another benefit for Ontarian's.

This next step is a billion dollars in taxes that we are giving back to Ontario families. The people of Ontario deserve to be the first to benefit from the hard work we have put into balancing our budget and meeting our fiscal targets.

Q. Even with these price mitigation efforts, Ontarians will still likely struggle to pay their electricity costs. What are you going to do to stop further increases in the future?

We've built a safe, clean, reliable system during the last ten years and now are ready to take it to the next level, by taking steps to make Ontario's electricity bills as affordable as can be.

The good news is that Ontario has already done the heavy lifting in terms of rebuilding aging transmission infrastructure and transitioning off coal-fired generation. Because of these investments, Ontarians aren't forecast to see the kind of energy cost increases coal-dependent provinces like Alberta and Saskatchewan are.

No utility, distribution company, government can predict the future. That is why our government has put in place a system and process to protect our residents.

Ontario's has the 2013 Long-Term Energy Plan (LTEP) which has forecasted a typical monthly residential bill. Over the forecast period, the average annual increase in consumers' costs is generally in-line with expected inflation, which averaged about 1.7% over the last ten years (2006-2015).

Despite the change in price being below inflation, our government has put in place programs to assist Ontarian's with their everyday living costs, for example the **O**ntario **E**lectricity **S**upport **P**rogram. I encourage customers to contact their local utility to find out what programs are available to them.

Q. If the government is looking to reduce electricity system costs, why not simply cancel expensive renewable energy projects?

Ontario is committed to investing in a clean, modern and reliable electricity system that reduces greenhouse gas (GHG) emissions and provides cleaner air for this and future generations of Ontarians.

Ontario's 2013 LTEP includes targets for renewable energy:

- 10,700 megawatts (MW) for wind, solar, and bioenergy to be online by 2021; and
- 9,300 MW for hydroelectricity to be online by 2025.

We set those targets to fulfill our commitment to replace coal-fired generation with cleaner sources of energy, which not only benefits our environment but also the health of Ontarians.

The diversity of the current supply mix also insulates Ontario against sudden changes in cost or availability of any one source, and is one of the greatest strengths of Ontario's electricity system.

Each of the supply mix elements, including hydroelectric, nuclear, natural gas, non-hydro renewables, conservation and clean imports, plays a unique role in delivering a reliable and cost-effective source of energy to Ontarians.

Q. Was there any consultation with the public or businesses when developing these price mitigation measures?

Our government has heard from Ontarian's and is committed to helping people with their everyday living costs.

We are taking action; we are reducing the cost of electricity bills for families, businesses both small and large and reducing even more for northern, rural and remote communities. We currently offer many programs, for example the **O**ntario **E**lectricity **S**upport **P**rogram and now can add another benefit for Ontarian's.

This year, the Ministry of Energy is also beginning to develop its next Long-Term Energy Plan (LTEP).

Developing the LTEP is a highly collaborative process. The Ministry works closely with its agencies and stakeholders during LTEP consultations and development.

LTEP consultations are expected to take place in fall 2016 and we encourage all Ontarians to take part.

Q. When will these mitigation measures take effect?

We are introducing legislation to support the proposed 8% rebate on September 15, 2016 (TBC). If passed, residential consumers, small businesses and farms, will start receiving the rebate on January 1, 2017.

The start of the next fiscal period is January 1st. This is an aggressive timeline, and we are taking action to reduce the cost of electricity bills for families, businesses both small and large and reducing northern, rural and remote bills even more.

Our government currently has programs in place to assist Ontarian's with their everyday living costs, for example the **O**ntario **E**lectricity **S**upport **P**rogram. I encourage customers to contact their local utility to find out what programs are available to them.

Q. Will Local Distribution Companies (LDCs) be ready to implement the bill changes? What happens if they are delayed? Will consumers be compensated retroactively?

We will work with the Ontario Energy Board and Local Distribution Companies (LDCs) to ensure the necessary adjustments are made to LDC billing systems.

LDCs already have experience with the implementation of billing changes like those associated with the OCEB and the Ontario Electricity Support Program (OESP).

8% rebate for residential consumers, small businesses and farms:

Q. How will customers receive this rebate? Is it permanent? Are there any requirements to be eligible? Who will be receiving this rebate?

The proposed rebate will be available to all consumers eligible for the Regulated Price Plan (RPP) – this includes about five million residential consumers, small businesses and farms.

Our government has heard from Ontarian's and is committed to helping them with their everyday living costs – this includes about five million residential consumers, small business and farms.

Through this three point plan, our government will reduce the cost on electricity bills across the board.

1. Families and small businesses will be rebated Ontario's percentage of HST on their bills which is a savings of 8% - a significant saving

2. Manufacturers will receive approximately 34% in savings as a result of the **I**ndustrial **C**onservation **I**nitiative - which is a benefit in return for their continued commitment to meeting conservation targets.

3. Northern, rural and remote communities will be rebated 20% - a necessary relief for families to help offset the cost of supplying power (delivery charge) to these areas.

Consumers won't have to do anything to receive the rebate, it will be automatically added to their bills.

Q. How much can an average customer expect to save off their electricity bill?

Through this three point plan, our government will reduce the cost on electricity bills across the board.

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2. Manufacturers will receive approximately 34% in savings as a result of the **I**ndustrial **C**onservation **I**nitiative - which is a benefit in return for their continued commitment to meeting conservation targets.

3. Northern, rural and remote communities will be rebated 20% - a necessary relief for families to help offset the cost of supplying power (delivery charge) to these areas.

Q. Will any other programs be affected by this rebate? For example, will recipients of the Ontario Electricity Support Program also receive the rebate?

The proposed rebate would apply to all RPP-eligible consumers regardless of income, status or location.

The rebate will work with other existing programs, such as the Ontario Electricity Support Program (OESP).

Q. Are consumers really receiving an 8% rebate when taking into account the costs associated with the other price mitigation measures you're announcing today (i.e. RRRP and ICI)?

The proposed rebate would provide 8% off total electricity costs before taxes, effectively offsetting the provincial portion of the HST.

Q. Doesn't the rebate reward those who use more electricity – how does this encourage conservation?

We're taking steps to ensure a clean, reliable and affordable energy system for all Ontarians.

We know that these changes have come at a cost to Ontario's residential and business consumers.

Recognizing this, we are proposing new measures that would take effect January 1, 2017.

As we plan for Ontario's energy needs for the next 20 years, conservation will be the first resource considered, wherever cost-effective.

It is the cleanest and most cost-effective energy resource, offers consumers a way to reduce their energy bills and reduces the need to build new generation, transmission and distribution infrastructure.

We encourage all Ontarians to participate in conservation programs offered through their Local Distribution Company (LDC) and the Independent Electricity System Operator (IESO).

Isn't this just another version of the Ontario Clean Energy Benefit (OCEB) – except it's 8% instead of 10%? Why didn't you just keep the OCEB?

The Ontario Clean Energy Benefit (OCEB) was a five year temporary program that ended, as planned, on December 31, 2015.

The OCEB was introduced to help families, farms and small businesses, manage their costs during our transition from coal-fired electricity generation towards a clean, modern and more reliable electricity system.

The good news is that Ontario has already done the heavy lifting in terms of rebuilding aging transmission infrastructure and transitioning off coal-fired generation. Because of these investments, Ontarians aren't forecast to see the kind of energy cost increases coal-dependent provinces like Alberta and Saskatchewan are.

We understand the price of electricity can still be a particular challenge for those that pay a higher share of their income towards their bill – such as low-income families, seniors on a fixed income, and homeowners that heat with electricity.

Recognizing this, we are introducing news measures that would take effect January 1, 2017.

These initiatives will give Ontario's residential consumers, small businesses and farms, more ways to manage their electricity costs while we continue to make the critical investments needed to maintain our energy system.

<u>Expansion of the Industrial Conservation Initiative (ICI):</u>

Q. Why are you expanding the Industrial Conservation Initiative? How will the expansion of ICI help businesses with their electricity costs?

The Industrial Conservation Initiative (ICI) allows large electricity consumers to reduce their electricity costs by reducing their demand during peak hours. Reducing consumption during peak hours benefits companies financially and benefits the electricity system by deferring the need for new peaking generation.
ICI is currently available to electricity consumers over 5 MW and consumers from 3-5 MW in certain energy intensive sectors.

To give more businesses the incentive to participate in the ICI, we will be taking measures to lower the threshold to 1 MW and will be removing sector restrictions so that more consumers can benefit.

Newly eligible consumers will be able to opt-in to the ICI program at their discretion.

Q. How much can ICI participants expect to save in terms of electricity costs? When will they start to see the benefit financially?

ICI participants save approximately one-third on their electricity bills.

Companies that opt-in to ICI would see the impact in 2018 due to the time required to implement the expansion and the need to set a one-year baseline.

Q. How many companies will be eligible for the ICI once the expansion happens?

Currently there are about 300 consumers in the ICI program.

Newly eligible consumers would have to decide whether they wish to opt-in to ICI program.

We wouldn't want to speculate on the number of companies that will choose to participate in the program.

Q. What about companies that can't shift their operations to off-peak hours? Will they be penalized financially by having to pay higher rates?

We recognize that electricity costs are a major factor for businesses participating in Ontario's economy. That's why Ontario has programs in place to help industrial consumers address the cost of their electricity.

Ontario's hybrid electricity market, combining regulated, contract and competitive market pricing, provides long-term price stability for industrial and smaller customers.

In addition to the ICI, there are many existing programs and incentives available to support industrial consumers.

For example:

- Participants in the Northern Industrial Electricity Rate Program (NIERP) receive a rebate of two cents per kilowatt hour. On average, industrial electricity prices can be reduced by up to 25% through the program. In 2015, the Ontario government announced the commitment to an ongoing NIERP beyond March 2016.

- The Industrial Electricity Incentive (IEI) offers reduced electricity rates for companies starting or expanding operations in Ontario. To date, IESO has awarded 22 contracts to electricity-intensive companies across the province through the program.

- The Industrial Accelerator Program (IAP) provides financial incentives to eligible transmission-connected companies to fast track capital investment in major energy conservation projects.

- The IESO holds annual demand response auctions, which provide availability and utilization payments to successful participants that commit to reducing their electricity consumption when called upon to do so.

- The IESO's saveONenergy for Business conservation programs for commercial and industrial consumers offers financial incentives to distribution-connected small businesses, commercial, institutional and industrial consumers, to install energy-efficient equipment and improve the energy efficiency of their buildings.

As we move forward we will continue to look at all options to strike the balance between reliability and affordability, while continuing our work on modernizing our electricity system.

Q. If new ICI participants will be getting a break on their bills, where will the money come from? How will costs get shifted?

An ICI participant's share of peak demand is used to calculate some electricity charges. The remainder of these charges not allocated to ICI participants would be shared across remaining consumers.

Over the long-term, system benefits from ICI include reducing electricity use during peak periods and reducing the need for new peaking generation.

Impacts will depend on a number of factors, including how many eligible companies decide to opt-in and their ability to reduce their electricity demand during peak hours.

<u>Greenhouse Gas Recycling Account proceeds for Commercial and Industrial Ratepayers</u>

Q. How will GGRA recycling work to help reduce costs for commercial and industrial customers?

As outlined in the 2016 Budget and the Climate Change Action Plan (CCAP), the government intends to recycle a portion of the cap and trade auction proceeds to offset the impact of cap and trade on industrial and commercial electricity consumers to keep rates affordable.

Q. Why is the government using GGRA funds to help reduce the electricity costs of commercial and industrial companies? Aren't GGRA funds supposed to go to programs/initiatives that reduce greenhouse gas emissions?

As outlined in the 2016 Budget and the Climate Change Action Plan (CCAP), the government intends to recycle a portion of the cap and trade auction proceeds to offset the impact of cap and trade on industrial and commercial electricity consumers to keep rates affordable.

Using cap and trade auction proceeds to lower the cost of electricity would make it more competitive with traditionally cheaper fossil fuels.

By using the proceeds to lower the cost of electricity, there is potential to incent fuel-switching away from fossil fuels toward much cleaner grid-connected electricity and support the CCAP's goals of electrification.

<u>Rural or Remote Rate Protection (RRRP) Update:</u>

Q. What is Rural or Remote Rate Protection (RRRP)? How is RPPP being updated? What kind of relief will it provide to ratepayers that currently receive it?

The Rural or Remote Rate Protection (RRRP) is a program that provides a rate subsidy to rural and remote residential customers who are faced with higher distribution costs relative to urban areas.

Funding to support these rural customers has not been changed since 2003, which has resulted in diminishing relief for customers over the years.

That's why are going to increase the RRRP subsidy for eligible consumers by updating the RRRP

This update would result in additional support for eligible customers.

The typical eligible consumer (1000 kWh/month) will see their RRRP subsidy increase from $[31.50] per month to $[60.50] per month.

Q. If the government is putting more money towards RRRP, where are those extra funds coming from? Ratepayers in the rest of the province?

The RRRP is funded by Ontario ratepayers.

As a result of this update, residential consumers will see an average cost increase of approximately $0.60 per month.

This cost increase is more than offset thanks to the 8% rebate they will be receiving starting in January 1, 2017.

Q. The Minister of Energy recently requested asked the Ontario Energy Board to look into rate relief for First Nations. Will the OEB's report take the RRRP update into account?

Our government recognizes that the price of electricity can be a particular challenge for those that pay a higher share of their income towards the bill - particularly residents in rural and remote communities and on-reserve First Nation customers.

We have heard concerns about high electricity costs from First Nation leaders across Ontario and understand on-reserve First Nation customers often face unique challenges that lead to higher electricity consumption and higher costs that impact electricity affordability.

Given these unique challenges, the Minister of Energy committed to look at options for addressing First Nation electricity cost. That's why under s.35 of the Ontario Energy Board Act, 1998 the Minister of Energy requested that the Ontario Energy Board (OEB) investigate appropriate rate assistance options for on-reserve First Nation electricity consumers.

The OEB is an independent regulator with a mandate to protect Ontario consumers with respect to electricity prices and ensure the financial viability of electricity distributors.

We wouldn't want to speculate on what the OEB will be recommending in its report.

The OEB has been asked to report back to the Minister on rate options, cost and funding mechanisms and program development issues by January 1, 2017.

Q. Why are urban customers subsidizing rural consumers? Isn't this just a tax on some to provide relief for others? How does this rate relief benefit the electricity system?

The RRRP has been in place since 2001 and replaces a similar program that was in place prior to 1998.

Our energy system is being transformed and we are making needed investments to modernize the system. We chose to replace coal-fired generation with cleaner sources of energy, which will not only benefit our environment but also the health of Ontarians.

We're taking steps to ensure a clean, reliable and affordable energy system for all Ontarians.

We know that these changes have come at a cost to Ontario's residential and business consumers. Recognizing this, we are proposing news measures that would take effect January 1, 2017.

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<u>Additional QAs provided by the Ministry of Finance</u>

Q. How would the Ontario Rebate for Electricity Consumers impact Ontario's plans for a balanced budget?

The Ontario Rebate for Electricity Consumers would help make everyday life easier for Ontario families, small businesses and farms with electricity costs by providing a rebate that is equal to the eight per cent provincial portion of HST. This eight per cent rebate would appear directly on the consumer's electricity bill.

The government remains committed to balancing the budget by 2017-18 while continuing to invest in the economy, our people and a healthy, clean and prosperous low-carbon future. These investments will help enhance the public services that Ontarians rely on, as well as stimulate economic growth.

Q. Do other provinces provide harmonized sales tax (HST) rebates related to energy?

Currently, there are no federally-administered point-of-sale rebates for electricity in any of the other provinces participating in the HST.

Nova Scotia is the only province with a provincially administered home energy rebate program that is equal to the provincial portion of the HST, and applies to all sources of residential use energy, including electricity.

Newfoundland and Labrador had a "Residential Energy Rebate" that was eliminated, effective July 1, 2015. The rebate, which came into effect October 11, 2011, was a provincially administered energy rebate equal to the provincial portion of the HST on energy used for residential purposes, including electricity.

Q. Would the rebate affect HST paid by consumers?

No. The HST on electricity costs remains at 13 per cent.

Q. What happens to input tax credits claimed by businesses?

Most businesses engaged in commercial activities can claim input tax credits to recover the HST they pay to operate their business.

Following the introduction of the eight per cent rebate, businesses would continue to be able to claim the credits as usual.

With this rebate, businesses across Ontario would have even more opportunity to be competitive and manage their energy costs.

Q. How is Ontario helping to lower electricity costs for residential consumers?

Ontario has a number of programs in place to help low-to-moderate income individuals and families with energy costs, including the Ontario Energy and Property Tax Credit, the Ontario Electricity Support Program, the Ontario Sale Tax Credit.

The Ontario Rebate for Electricity Consumers would be another program that would help Ontario families, small businesses and farms with electricity costs in addition to the above mentioned programs, if consumers were eligible.

Q. Will the federal government be rebating its portion of the HST?

The federal government has not shared any plans to mitigate electricity costs for Canadians.

The Province continues to work with the federal government when there is an opportunity to partner or consult as it relates to regulatory and emerging issues.

Ontario remains committed to making everyday life easier for people across the province by lowering costs and enhancing convenience and choice.

Child Care Q&A's

Q. Why are you creating 100,000 spaces and not more?

- Creating 100,000 new spaces for 0-4 year olds is a historic investment. Right now, approximately 20 per cent of Ontario's child population from 0-4 years old are in licensed child care. This commitment will double the current capacity for the 0-4 age group, creating spaces for about 40 per cent of children.

- This investment builds on the foundation we have established for the early years through the introduction of Full-Day Kindergarten for all 4 and 5 year olds in publicly-funded schools, the doubling of child care funding since 2003 to a billion dollars annually and our commitment to ensuring before and after school programs are available for 4-12 year children in all schools where there is sufficient demand.

Q. Isn't this just keeping up with the growth in the child population over the next five years?

- The 0-4 child population is anticipated to grow by approximately 1% over the next 5 years or about 5,000 additional children.

- Right now, approximately 20 per cent of Ontario's child population from 0-4 years old are in licensed child care. This commitment will double the current capacity for the 0-4 age group, starting in 2017, creating spaces for about 40 per cent of children 0-4 year of age.

Q. Why are you focusing on 0-4?

- We know from parents that finding an infant, toddler or preschool child care spot can be very challenging.
- We know that current capacity in this area is just not enough.
- That's why we're making this commitment.
- Right now, approximately 20 per cent of Ontario's child population from 0-4 years old are in licensed child care. This commitment will double the current capacity for the 0-4 age group, creating spaces for about 40 per cent of children.
- Good work continues to happen to increase capacity in the system for school-aged children. Specifically, in May, our government delivered on our commitment to ensure before and after school programs are available to children 4-12 years old in all schools where there is sufficient demand.

Q. How much will this cost?

- Our five year roll out plan is under development. This commitment will require a mix of operating and capital funding and costing will be developed as we engage with families, communities, ECEs and child care staff, employers, advocates, deliverers, Indigenous communities and our other partners.

- We are proposing an historic investment in child-care which we will implement over the next five years, starting in 2017. Initial cost estimates from the Ministry of Education are that this commitment could require up to $600 million to $750 million in operating funding at maturity to support fee subsidies for qualified families.

- On the capital side, we estimate that it would cost $1 to 3 billion total over the 5 year implementation to support school and community-based infrastructure. We will provide further costing information as we complete program design work and implement this historic commitment.

- We are announcing a 5 year plan today and consistent with our recent appointment of our new Associate Minister of Education responsible for early years and child care, we will consult, work with the sector and communities and families to undertake a costing exercise. We will have more to say on how this aligns with our fiscal plan over the coming months.

- Eliminating the budget deficit and taking a balanced and disciplined approach over the last three and half years to our fiscal plan has allowed us to continue to invest in the priorities that Ontarians have told us are important to them such as health care, child care and reducing electricity costs.

Q. How many spots will you create each year?

- Our five year roll out plan is under development and will be informed by our conversations with families, communities, ECEs and child care staff, employers, advocates, deliverers, Indigenous communities and our other partners. . We will work hard to ensure that much needed support reaches parents and families as quickly as possible.

Q. Why are you taking 5 years to roll this out?

- This is a significant investment that will require conversations with families, communities, ECEs and child care staff, employers, advocates, deliverers, Indigenous communities and our other partners to ensure we get it right.
- It will also require both operational and capital planning, including building and retrofitting new space as well as recruiting and training new staff.

Q. What will you do for parents who stay home with their kids?

- Our government is focused on supporting all parents and families, and a key principle of that is parent choice and flexibility.
- In February, we announced a new approach to Ontario Child and Family Programs including drop in programs for children and their families. Full Day Kindergarten is the largest investment in early learning in a generation is available to all 4 and 5 year olds in the public school system.
- This is in addition to supports like the Ontario Child Benefit which we provide to eligible Ontario families.

Q. Why aren't you committing to $7 a day daycare like Quebec?

- When we talk to parents about child care, the number one issue they raise is wait lists and the lack of access, and that it why we are focusing on increasing access to more high quality child care spaces.
- That's where we are focusing our current work.
- But there is much more work to do with our partners and we'll continue to do that work over the coming months and year, including with a focus on affordability.

Q. Will child care spots still be expensive? Are you creating any additional fee subsidies so that low-income families can access child care?

- Part of this commitment will absolutely be to increase access to child care subsidies to support families.
- Increasing the number of child care spaces for 0-4 year olds will increase access and as part of that, we will need to have important conversations regarding our subsidy system, tools and approach.

Q. How are you making the process of finding a space easier?

- Our commitments to increasing the number of child care spaces for children 0-4 and to ensuring that before and after school programs are provided for 4-12 year olds in all schools where there is demand will significantly increase access and reduce waitlists for child care spaces for Ontario's children and families.
- Our government recently introduced regulations to end fees for child care wait lists to improve the accessibility of child care and make life easier for families. The regulatory amendments also require licensed child care providers to develop a public wait list policy that clearly explains how children on a wait list are offered admission and ensure wait list status is made available to families, in a manner that protects the confidentiality of their personal information.
- We will also continue to work with our municipal partners on how to use the latest technology to help parents find and choose child care options, including local centralized wait lists.

Q. How many jobs will this create?

- Our five year roll out plan is under development and will be informed by our conversations with families, communities, ECEs and child care staff, employers, advocates, deliverers, Indigenous communities and our other partners.
- The 100,000 new spaces for 0-4 year old will support an estimated 20,000 new child care workers.
- The capital investment to create new and retrofitted child care spaces will also create jobs across the province.

Q. How will this help to close the gender wage gap?

- The number one recommendation from our recent gender wage gap consultation was to increase access to affordable, high quality licensed child care, and we are responding.
- We made the largest investment in early learning in a generation through the introduction of Full-Day Kindergarten which we know increased participation of parents in the labour market.
- The experience in Quebec proves that increasing access to licensed care increases women's labour force participation and are confident that our investment in 100,000 new spaces will take us in the right direction.

Q. Why is the government committing so much to licensed care when it reduced access to unlicensed care through the *Child Care and Early Years Act*?

- Parent choice and flexibly is a key principle to our approach, and the unlicensed child care sector is an important partner in our work.
- The *Child Care and Early Years Act* was not about reducing access to unlicensed care, but about ensuring health and safety for all Ontario children in child care setting.
- We will continue to work with all of our partners to ensure Ontario parents have access to a wide range of choices when it comes to care for their children.